

CITY OF MONTEVIDEO
CITY COUNCIL PROCEEDINGS
May 1, 2023

The city council met in regular session Monday, May 1, 2023 in the council chambers at city hall. Council President Schmidt called the meeting to order at 7:00 P.M. with the Pledge of Allegiance.

Council members present: Nathan Schmidt, Bryce Curtiss, Steve Sulflow, Beverly Olson and Dan Sanborn. Absent: None. Mayor Erich Winter present.

Also present: City Manager Robert Wolfington, City Attorney Janice Nelson, City Engineer Mike Amborn and City Clerk Glennis Lauritsen.

It was moved by Sulflow, seconded by Curtiss and unanimously passed to approve the agenda, with the following modifications:

MODIFY: 5A) CONSIDER APPROVAL OF VERIFIED CLAIMS FOR THE PERIOD ENDING APRIL 27, 2023 IN THE AMOUNT OF ~~\$259,231.62~~ \$571,434.87.

The revised list reflects the following additions:

MISCELLANEOUS

Old National Bank - Internal Transfers \$ 300,000.00

POOL

Anchor Industries, Inc. - (3) 20' Umbrellas 6,651.00

UTILITY

Dakota Supply Group - Coupling Sleeves/Repair Kit 1,781.66

Dakota Supply Group - Swing Check Valve 3,770.59

ADD: 5C) CONSIDER APPLICATION SUBMITTED BY MIKE DUPERE, MONTEVIDEO CAR SHOW, REQUESTING USE OF SMITH PARK SHELTER HOUSE, SURROUNDING GREEN SPACE AND ROAD FOR THEIR ANNUAL CAR SHOW DURING FIESTA ON SUNDAY, JUNE 18, 2023, 6:00 A.M. TO 5:00 P.M.

MODIFY: 6A) PROVIDE FINAL PUBLIC HEARING ON PROPOSED SPECIAL ASSESSMENT ROLL FOR THE 2023 IMPROVEMENT PROJECT AND CONSIDER RESOLUTION ADOPTING THE ASSESSMENT ROLL.

Additional materials provided:

1. Letter from the Montevideo Community Development Coordinator challenging the proposed assessments against Parcel 70-198-0101.
2. Cottages of Montevideo Association information for Parcel ID# 70-056-0245, Assessment Notice, map and email from Marlin Schoep addressing assessment options, and requesting extension.

It was moved by Sanborn, seconded by Olson and unanimously passed to approve the minutes of the Regular Meeting of April 17, 2023, Board of Review Meeting of April 24, 2023 and Emergency Meeting of April 24, 2023, as presented.

4. Notices/Communications/Announcements or Appearance of Interested Citizens.

- None.

5. Consent Agenda.

It was moved by Sanborn, seconded by Sulflow and unanimously passed to approve the following consent agenda items:

- 5(A) VERIFIED CLAIMS FOR THE PERIOD ENDING APRIL 27, 2023 IN THE (MODIFIED) AMOUNT OF \$571,434.87.
- 5(B) APPLICATION SUBMITTED BY OLIVER LEAFBLAD, MONTEVIDEO HIGH SCHOOL BAND DIRECTOR, FOR USE OF CITY STREETS FOR A “MONTEVIDEO FIESTA OF MARCHING BANDS” EVENT ON MONDAY, JUNE 12, 2023, 4:00-8:00 P.M.
- 5(C) APPLICATION SUBMITTED BY MIKE DUPERE, MONTEVIDEO CAR SHOW, REQUESTING USE OF SMITH PARK SHELTER HOUSE, SURROUNDING GREEN

SPACE AND ROAD FOR THEIR ANNUAL CAR SHOW DURING FIESTA ON
SUNDAY, JUNE 18, 2023, 6:00 A.M. TO 5:00 P.M.

6. Public Hearings.

6(A) 7:00 P.M.- PUBLIC HEARING - 2023 IMPROVEMENT PROJECT.

President Schmidt called the public hearing to order at 7:02 P.M. to consider the final assessments on the following:

Ashmore Avenue, Benson Road to 17th Street

- ▶ Street (full-depth reclamation): \$ 40.00/LF
- ▶ Street (mill & overlay): \$ 26.00/LF

16th Street, Highway 7 Frontage Road to Ashmore Avenue

- ▶ Street (full-depth reclamation): \$ 40.00/LF

Wolfe Avenue, Benson Road to 4th Street

- ▶ Street (reconstruction): \$ 60.00/LF
- ▶ Curb & Gutter: \$ 15.00/LF
- ▶ Sanitary Sewer: \$ 25.00/LF
- ▶ Watermain: \$ 25.00/LF

The entire public hearing was recorded and will be downloaded to a flash drive to be kept in accordance with the city's adopted records retention schedule, after which time the flash drive will be destroyed.

City Engineer Amborn briefly reviewed the handout prepared for the hearing, which discussed the city's assessment policy/maximum years to pay the assessment and outlined the project specifics.

Wolfe Avenue, Benson Road to 4th Street:

- Bruce Abel, 1520 North 5th Street, inquired about the start/completion date, proposed grade changes and suggested that the dirt removed from the project be "repurposed" to fill in the gravel road to the west of 4th Street which is in poor condition. Amborn addressed Abel's questions, and it was explained that the

gravel road is owned by Sparta Township and, therefore, not within the city's scope of maintenance/responsibility.

- Amelia Herz, 1601 North 5th Street (corner of 5th & Wolfe), had questions regarding the water/sewer connection assessment for her property and road access during the construction. Amborn explained that there are only a handful of properties affected by the utility improvement portion of this project. He further explained that access is addressed in the agreement with the contractor, with every attempt made to minimize inconvenience to property owners during the project.

Ashmore Avenue, Benson Road to 17th Street:

- Cottages of Montevideo property owners Dave Mitlyng (1305 Ashmore Avenue), Marlin Schoep (1207 Ashmore Avenue) and Dean Risa (1301 Ashmore Avenue) were present with questions:
 - ▶ Mitlyng asked when Ashmore Avenue had previously been improved. He had concerns over the deteriorated condition (frost heaves) of the road and felt that perhaps it needed more than just an overlay. Amborn explained the structural base and proposed improvements.
 - ▶ Schoep stated that only the Association had received notice of this hearing and not all of the individual property owners. He had been made aware of the notice by phone call from the city earlier today, when the notice sent to the Association had been returned as “undeliverable” by the post office. He said that the Association cannot be responsible for each individual property. The Association members were not contesting the amount of the proposed assessment; however, they were asking that the city divide the assessment amount equally between the list he had provided of 28 properties and that individual notices be sent to those property owners. He also asked that an extension be provided due to the late notice/no notice to each property.

City Attorney Nelson stated that each of the property owners within the Cottages of Montevideo receive a tax statement. The parcel identified by the city for the Association (70-050-0245) does not receive a tax statement. She recommended that the public hearing for this portion of the

project be continued/rescheduled and that individual notices be mailed from the city.

- ▶ Risa reiterated the lack of notice to the individual property owners and supported Schoep's requests.
- Ivan Stueckrath, 1515 Nelson Circle, asked if Ashmore Avenue is/will be built to withstand semi truck traffic. City Engineer Amborn stated yes.

16th Street, Highway 7 Frontage Road to Ashmore Avenue:

- Jennifer Gunlogson/Cornerstone Chiropractic, 804 North 16th Street, stated that this is her first experience with special assessments. With the combination of the real estate tax increase, the school referendum and this assessment, there is a lot of additional expenses for properties, making it particularly difficult for a small business owner to continue to invest in the community. She stated that she doesn't necessarily feel that the proposed improvement will increase the value of the property by the amount to be assessed but did not formally contest the assessment.
- Jack Gottfried, Montevideo Community Development Coordinator, discussed the proposed assessment against Parcel ID #70-198-0101 which is owned by the Montevideo Economic Development Authority. The parcel consists of 5.49 acres of land, most of which is wetland and not suitable for development. Because it is not suitable for development, a letter had been submitted on behalf of the Montevideo EDA challenging the assessment for the project, as it would not have an impact on its value.

The assessable footage for the property is 666.31 and the proposed assessment was set at \$26,652.40. Due to the wetland impacts, the city engineer recommended reducing the assessable footage from 666.31 to 200 feet, resulting in a savings of \$18,652.40. Currently, the total estimated market value for the property is \$5,900.

It was moved by Sanborn, seconded by Olson and unanimously passed to close the public hearing at 7:35 P.M., EXCEPT that the hearing will be continued to 7:00 P.M. on Monday, June 5, 2023 for the Cottages of Montevideo property. This does not affect the amount of the assessment for the property (\$21,884.40) but will allow for notification to

be sent to each property owner within the Association for their share of the total assessment amount, with revised options for payment, as appropriate. Because this does not affect the assessment roll, staff recommended proceeding with the resolution to adopt the assessment.

BRYCE CURTISS OFFERED RESOLUTION NO. 3861, A RESOLUTION ADOPTING ASSESSMENT, AND MOVED ITS ADOPTION. MOTION FOR ADOPTION OF RESOLUTION #3861 WAS SECONDED BY STEVE SULFLOW. THOSE VOTING IN FAVOR OF MOTION: BRYCE CURTISS, STEVE SULFLOW, BEVERLY OLSON, DAN SANBORN AND NATHAN SCHMIDT. THOSE VOTING AGAINST MOTION: NONE. RESOLUTION PASSED 5-0.

7. General Business.

7(A) DOG PARK.

As a part of the April 11, 2023 Montevideo Park Board Meeting, Jaxon Wagner presented a proposal to work toward a dog park in Montevideo as his Eagle Scouts Project. The park board recommended that Wagner present his proposal to the council. Wagner was present to discuss the project, noting that he is looking to raise roughly \$16,000 for the project to cover material expenses. The location proposed is city-owned land directly west of the public works building along Ashmore Avenue. The public works director had indicated that the city could bring a water line from the public works building fire hydrant to the site to provide drinking water. The council commended Wagner on his project and felt that a dog park would be a good use of the land.

It was moved by Sanborn, seconded by Sulflow and unanimously passed to grant permission to Wagner to use city land for the project and authorize staff to accept donations of the funds raised by Wagner. Mayor Winter stated that on behalf of himself, his wife Jayme and The Millennium Theater, he pledged \$500.00 towards the effort.

7(B) ANNUAL REPORT - MONTEVIDEO LIBRARY.

Larissa Schwenk, Head Librarian of the Montevideo Public Library, gave a presentation of library activity over the past year. Schwenk highlighted programming, library visits, collection/circulation information, Internet uses and other goals/objectives.

7(C) BID AWARD - 2023 IMPROVEMENT PROJECT.

Bids were received on Tuesday, April 11, 2023 for the proposed 2023 Improvement Project, as follows:

<u>Bidder</u>	<u>Bid</u>
Duininck, Inc., Prinsburg, MN	\$ 2,024,775.95
Joe Riley Construction, Morris, MN	\$ 2,069,517.77
Central Specialties, Inc., Alexandria, MN	\$ 2,071,676.72
Brouwer Construction, LLC	\$ 2,097,790.20
Crow River Construction Co., New London, MN	\$ 2,913,498.75

It was moved by Curtiss, seconded by Sanborn and unanimously passed to approve the low bid from Duininck, Inc. at the total base bid of \$2,024,775.95 and authorize the mayor and city manager to execute necessary project documents.

7(D) INTENT TO BOND - 2023 IMPROVEMENTS.

In accordance with IRS issued Treasury Regulations, the city is required to make a "Declaration of Intent" to reimburse itself for expenditures paid out prior to bonds being issued for the 2023 Improvement Bonds.

It was moved by Curtiss, seconded by Olson and unanimously passed to approve a Declaration of Official Intent associated with the 2023 Improvement Bonds in an amount not to exceed \$1,590,000.

7(E) SALE OF BONDS - 2023 IMPROVEMENT PROJECTS.

In order to provide funding to pay for the construction of the 2023 Street & Utility Improvements, the city needs to sell bonds. A resolution was presented that calls for the sale of bonds on June 5, 2023 and authorizes city staff to work with Ehlers Public Finance Advisors to facilitate that sale. A pre-sale report was also provided which discussed the street improvement portion (\$1,060,000) and utility improvement portion (\$530,000).

STEVE SULFLOW OFFERED RESOLUTION NO. 3862, A RESOLUTION PROVIDING FOR THE SALE OF \$1,590,000 GENERAL OBLIGATION IMPROVEMENT BONDS, SERIES 2023A, AND MOVED ITS ADOPTION. MOTION FOR ADOPTION OF RESOLUTION NO. 3862 WAS SECONDED BY DAN

SANBORN. THOSE VOTING IN FAVOR OF MOTION: STEVE SULFLOW, DAN SANBORN, BRYCE CURTISS, BEVERLY OLSON AND NATHAN SCHMIDT. THOSE VOTING AGAINST MOTION: NONE. RESOLUTION PASSED 5-0.

7(F) HANGAR IMPROVEMENT PROJECT.

Bids were received on April 24, 2023 at 2:00 P.M. on the Montevideo-Chippewa County Airport Hangar Expansion Project. This is a two-part hangar project that includes improvements for the Fixed Based Operator hangar and a storage hangar. The proposed improvements include a new door and some structural rehabilitation for the large storage hangar and an expansion for the FBO of 1,044 square feet for the existing hangar.

Two bids were received, with the low bid submitted by Kranz Construction, Inc. in the amount of \$424,840. The engineer's estimate was \$497,000. The local match for the project is \$45,005.25 split between the city and county. The project would be covered by FAA and Mn/DOT grants.

It was moved by Sanborn, seconded by Curtiss and unanimously passed to accept the low bid from Kranz Construction, as recommended by the Montevideo-Chippewa County Airport Commission and approve Contract Amendment No. 1 between the City and SEH Engineers for additional engineering services associated with the project in the lump sum of \$67,200.

7(G) ASSESSMENT SERVICES AGREEMENT.

It was moved by Sulflow, seconded by Olson and unanimously passed to approve a new two-year agreement for assessment services with Chippewa County. The agreement is for the period June 1, 2023 through May 31, 2025 at a price of \$18.00 per parcel for the 2024 and 2025 assessments, which is the same rate charged in the previous agreement.

7(H) MAYORAL APPOINTMENTS - LOCAL PUBLIC AUTHORITY.

It was moved by Curtiss, seconded by Sanborn and unanimously passed to ratify the mayor's reappointment of Edith Hendrickson to the Local Public Authority Board, term expiring June 4, 2027 and the appointment of James Bulman to the unexpired vacant term (to June 4, 2023) and the simultaneous reappointment of James Bulman to a full five-year term, expiring June 4, 2028.

7(I) ACCEPTANCE OF GIFTS/GRANTS.

The following gifts/grants have been received by the city:

<u>Name</u>	<u>Description</u>	<u>Amount/Value</u>
Dr. Brad Moseng	Donation - Police Department	\$ 100.00

STEVE SULFLOW OFFERED RESOLUTION NO. 3863, A RESOLUTION ACCEPTING GIFTS/GRANTS, AND MOVED ITS ADOPTION. MOTION FOR ADOPTION OF RESOLUTION NO. 3863 WAS SECONDED BY DAN SANBORN. THOSE VOTING IN FAVOR OF MOTION: STEVE SULFLOW, DAN SANBORN, BEVERLY OLSON, BRYCE CURTISS AND NATHAN SCHMIDT. THOSE VOTING AGAINST MOTION: NONE. RESOLUTION PASSED 5-0.

8. Ordinances.

8(A) ADOPTION OF ORDINANCE NO. 980 - PREMISES PERMITS INVESTIGATION FEES.

Ordinance No. 980 was introduced at the April 17, 2023 meeting and provides modifications to the Lawful Gambling chapter of the Montevideo City Code. Specifically, the proposed ordinance addresses language pertaining to background investigations for premises permit applications.

IT WAS MOVED BY BEVERLY OLSON THAT ORDINANCE NO. 980, AN ORDINANCE AMENDING SECTION 7 OF CHAPTER 3B OF TITLE 3 OF THE MONTEVIDEO CITY CODE, CITY INVESTIGATION FEES, BE ADOPTED. MOTION FOR ADOPTION OF ORDINANCE NO. 980 WAS SECONDED BY BRYCE CURTISS. THOSE VOTING IN FAVOR OF MOTION: BEVERLY OLSON, BRYCE CURTISS, DAN SANBORN, STEVE SULFLOW AND NATHAN SCHMIDT. THOSE VOTING AGAINST MOTION: NONE. ORDINANCE WAS ADOPTED 5-0.

9. Discussion and Miscellaneous.

- Council President Schmidt asked if there is a date available for applying the final lift of asphalt on the 2022 Improvement Project. City Engineer Amborn stated no; however, he would be in contact with the contractor on the issue.

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- City Attorney Nelson informed the council that a letter will be sent to State Road property owners to provide an update on the status of the right-of-way matter.
- Council member Olson asked about the filling of potholes on city streets and was informed that the city crews are working to address those issues.
- City Manager Wolfington discussed briefly the food truck application process, noting that the use of city properties will be handled administratively, unless the council feels otherwise. Wolfington also provided an update on the Lake Snoopy Trail project.

Meeting adjourned at 8:05 P.M.

Glennis A. Lauritsen, Secretary

Approved by council May 15, 2023:

President - City Council